Allocation of special fund for Tamil Nadu

3736. SHRI B.S. GNANADESIKAN: Will the Minister of FINANCE be pleased to state:

(a) whether special fund is allocated to Tamil Nadu due to the financial crisis that exists in the State;

(b) if not, whether it would be feasible to allocate the entire amount collected through small savings from the State; and

(c) the details of small savings from Tamil Nadu?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) No, Sir.

(b) As per the announcement made by Finance Minister in his Budget speech for 2002-03, 100% of net proceeds of small savings will be transferred to State beginning April, 2002 subject to 20% being utilized by the State to retire high interest bearing debt of the past.

(c) In 2001-02, a sum of Rs. 1487.91 crores was transferred to Government of Tamil Nadu against 80% of net small savings collection in that State.

Control over Government expenditure

3737. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether in a bid to contain expenditure the Ministry of Finance has decided to ask all Government departments and Ministries to submit quarterly expenditure reports detailing all expenses and pointing out deviations from planned expenditure schedule;

(b) what other steps have been taken to lessen Government expenditure; and

(c) other details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) ministry of Finance has prescribed a proforma for quarterly projection of expenditure for all Ministries/Departments for the purpose of monitoring the progress of expenditure.

(b) and (c) It is Government's constant endeavour to contain non-plan, non-developmental expenditure. It is in this context that, alongwith other measures, instructions to avoid wasteful expenditure are issued from time to time to all the Ministries/Departments. These measures include ban on the creation of posts, reduction in the number of sanctioned posts, restriction on the filling up of vacant posts, reduction in office expenses, restrictions on purchase of vehicle, restrictions on foreign travel and on entertainment/ hospitality expenses etc.

For review of the whole gamut of expenditure of Government, an Expenditure Reforms Commission was also set up to suggest a road map of reducing the functions, activities and administrative structure of the Government, review the adequacy of the staff strength under Central Ministries/Departments etc. and suggest measures for rationalising the staff and cadres of different services, review the procedure of setting up of autonomous bodies and suggest measures for effecting improvement and reducing budgetary support. The Expenditure Reforms Commission was wound up on 30.9.2001.

The Expenditure Reforms Commission has submitted in all 10 reports covering 36 Ministries/Departments and four specific issues namely, Food Subsidy, Fertilizer Subsidy, autonomous institutions and optimising staff strength. The recommendations of Expenditure Reforms Commission have been sent to the concerned Ministries/ Departments for implementation.